

checkbook balancing made easy



A quarter century ago, experts predicted that writing checks would become a thing of the past. It obviously hasn't happened yet. Americans still write billions of checks every year.

Checking accounts are useful for keeping funds liquid, that is, easily accessible. A check is a safe, convenient way to pay for something, whether it's an item in a store or something you're paying for by mail.

A checking account register is a handy way to keep track of your money. It enables you to keep a running total. Carrying around an incomplete or incorrect register is a very good way to get yourself behind the eight ball—in a hurry! Having to guess how much money you have at your disposal is a sure sign that your finances are getting out of control.

When you write a check, record it in your register immediately. Likewise, be sure to include ATM and POS transactions and electronic transfers as they occur. Don't say, "I'm in a hurry right now. I'll do it later." Later your memory may fail you. The next thing you know, you're overdrawn.

Failing to balance your checkbook when your statement arrives will get you in trouble, too. Remember: We all make mistakes. Don't go thinking you're an exception. Your statement will help you find omissions, as well as errors in your arithmetic.

Also keep in mind that you'll have fewer transactions to total from after the statement's closing

date if you balance your checkbook as soon as the statement arrives. Why not make it easy on yourself?

When you're having trouble balancing your checkbook, ask yourself the following questions. One of them will probably point the way to the source of your trouble.

- Are there any entries missing from your checkbook? Besides checks and deposits, look for missing ATM or POS transactions, fees or service charges, and interest, if you have an interest-bearing account.
- Are there outstanding checks from previous months?
- Can you divide the difference between your balance and the statement's balance evenly by two? Then you may have added when you should have subtracted or vice versa.
- Can you divide the difference by nine? Then you probably transposed numerals in an entry.
- Did you carry the balance forward correctly from the previous page on every new page in your register?

One last tip: Having a checking account at a credit union rather than a bank will often make your recordkeeping easier. Why? Generally speaking, there are fewer fees to worry about. Bank fees are getting so bad that this scene appeared recently in a nationally syndicated comic strip:

"Mega-Bank" employee to bank customer: "Now that you've signed, I'd like to explain the miscellaneous charges concerning your use of our pen, our chair, our calculator ..."

Keep it simple. Stick with your Credit Union.

